A Summary of the Current Tariff Treatment of Products of the Russian Federation and Products of the Republic of Belarus

During the past year, several legal actions have been taken to prohibit the importation of certain products of the Russian Federation and to increase the rates of duty that apply to imports of products of the Russian Federation and to products of the Republic of Belarus.

In Executive Order 14066 of March 8, 2022 (87 Fed Reg 13625), the President prohibited the importation of the following products of Russian Federation origin: crude oil; petroleum; petroleum fuels, oils, and products of their distillation; liquified natural gas; coal; and coal products. These import prohibitions were implemented by the Treasury Department's Office of Foreign Asset Control and took effect on March 8, 2022.

In Executive Order 10468 of March 11, 2022 (87 Fed Reg 14381), the President prohibited the importation of the following products of Russian Federation origin: fish, seafood and preparations thereof; alcoholic beverages; and non-industrial diamonds. These import prohibitions were implemented by the Treasury Department's Office of Foreign Asset Control and took effect on March 11, 2022. A list of the products of the Russian Federation that are subject to the import prohibition under E.O. 10468 appears in an annex to this summary.

In Public Law 117-109, Congress banned the importation of energy products of the Russian Federation that are classified in chapter 27 of the Harmonized Tariff Schedule. This statutory import ban took effect on April 8, 2022.

In Public Law 117-110, Congress suspended nondiscriminatory tariff treatment for imports of products of the Russian Federation and products of the Republic of Belarus and imposed the rates of duty set forth in column 2 of the Harmonized Tariff Schedule on all products of the Russian Federation and all products of the Republic of Belarus. Public Law 117-110 took effect on April 9, 2022.

Section 3(b)(1) of Public Law 117-110 authorized the President to proclaim increases in the column 2 rates of duty applicable to products of the Russian Federation or to products of the Republic of Belarus. In Proclamation 10420 of June 27, 2022 (87 Fed Reg 38875), the President increased the column 2 rates of duty applicable to certain products of the Russian Federation to 35 percent *ad valorem*. The increased column 2 rates of duty are provided for in heading 9903.90.08 of the Harmonized Tariff Schedule and apply to subheadings listed in note 30(b) to subchapter III of chapter 99. The increased duties took effect on July 27, 2022.

In Proclamation 10522 of February 24, 2023, the President increased by 200 percent ad valorem the duty rate on Russian-origin aluminum articles wherein any amount of primary aluminum is smelted in Russia or the articles are cast in Russia, and on Russian-origin derivative articles containing such aluminum, by adding headings 9903.85.67 and 9903.85.68, respectively, effective March 10, 2023. That proclamation also increased by 200 percent ad valorem the duty rate on such Russian-origin aluminum articles and derivative articles that were admitted into U.S. foreign-trade zones in privileged foreign status prior to March 10, 2023, and are subsequently being imported into the customs territory of the

United States, by inserting headings 9903.85.69 and 9903.85.70, respectively. In addition, as of April 10, 2023, any imported aluminum articles and derivative articles that contain specified Russian-origin aluminum will also be subject to a duty increase of 200 percent ad valorem. (88 F.R. 13267, March 2, 2023)

In Proclamation 10420 of June 27, 2022, the President stated that the United States will monitor the implementation of the increased duties, and that the President may revisit his determination, as appropriate. In Proclamation 10523 of February 24, 2023 (88 Fed Reg 13277), in accordance with section 3(b)(1) of Public Law 117-110, the President determined to increase the column 2 rates of duties to 35 percent *ad valorem* on certain additional products of the Russian Federation and to 70 percent *ad valorem* rates of duty are provided for in heading 9903.90.08 of the Harmonized Tariff Schedule and apply to subheadings listed in note 30(b) to subchapter III of chapter 99. The increased 70 percent *ad valorem* rates of duty are provided for in heading 9903.90.09 of the Harmonized Tariff Schedule and apply to subheadings listed in note 30(d) to subchapter III of chapter 99. The increased duties took effect on April 1, 2023.

RUSSIAN HARMFUL FOREIGN ACTIVITIES SANCTIONS OFFICE OF FOREIGN ASSET CONTROL

FAQ 1,027

Question 1,027: For the purposes of Executive Order (E.O.) of March 11, 2022, "Prohibiting Certain Imports, Exports, and New Investment with Respect to Continued Russian Federation Aggression," what is meant by the terms "Russian Federation origin," "fish, seafood, and preparations thereof," "alcoholic beverages," and "non-industrial diamonds"?

Answer:

For the purposes of <u>E.O.</u> of <u>March 11, 2022</u>, the Office of Foreign Assets Control anticipates publishing regulations defining these terms to include the following:

- "Russian Federation origin" see FAQ 1,019.
- "fish, seafood, and preparations thereof" articles defined at Harmonized Tariff Schedule of the United States (HTSUS) subheadings 0301.11.00 to 0301.99.03; 0302.11.00 to 0302.99.00; 0303.11.00 to 0303.99.00; 0304.31.00 to 0304.99.91; 0305.20.20 to 0305.79.00; 0306.11.00 to 0306.99.01; 0307.11.00 to 0307.99.03; 0308.11.00 to 0308.90.01; 0309.10.05 to 0309.90.90; 1603.00.10; 1603.00.90; 1604.11.20 to 1604.32.40; 1605.10.05 to 1605.69.00; 0508.00.0000; 2301.20.0010; 2310.20.0090; 1504.10.20 to 1504.20.60; and 2106.90.9998, including any subsequent revisions to the list of HTSUS classifications.
- "alcoholic beverages" articles defined at HTSUS subheadings 2203.00.00; 2204.10.00 to 2204.30.00; 2205.10.30 to 2205.90.60; 2206.00.15 to 2206.00.90; 2207.10.30 to 2207.20.00; and 2208.20.10 to 2208.90.80, including any subsequent revisions to the list of HTSUS classifications.
- "non-industrial diamonds" articles defined at HTSUS subheadings 7102.31.00 and 7102.39.00, including any subsequent revisions to the list of HTSUS classifications.

With respect to the export prohibitions set forth in section 1(a)(ii) of E.O. of March 11, 2022, please consult the U.S. Department of Commerce, Bureau of Industry and Security, for guidance.

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